



PUBLIC NOTICE

Federal Communications Commission
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DA 13-2107
Released: October 31, 2013

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
S&A TELEPHONE COMPANY, INC., S&A COMMUNICATIONS, INC.
D/B/A S&A LONG DISTANCE, WAVERLY HALL TELEPHONE, LLC, AND
WAVERLY HALL COMMUNICATIONS, INC. TO USCONNECT HOLDINGS INC.**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 13-243

Comments Due: November 14, 2013
Reply Comments Due: November 21, 2013

On September 27, 2013, American Broadband Acquisition Corp. (ABAC), S&A Telephone Company, Inc. (S&A Telephone), S&A Communications, Inc. d/b/a S&A Long Distance (S&A Communications), Waverly Hall Telephone, LLC (WHT), Waverly Hall Communications, Inc. (WHC), and USConnect Holdings Inc. (USConnect) and its subsidiary, USConnect Acquisitions II, Inc., (USConnect Acquisitions) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ to transfer control of S&A Telephone, S&A Communications, WHT, and WHC from ABAC to USConnect.

S&A Telephone, a Kansas corporation, provides incumbent local exchange carrier (LEC) services in certain exchanges in Lyon and Osage Counties in Kansas and serves approximately 611 access lines. S&A Telephone is a wholly owned subsidiary of ABAC.² S&A Communications, a North Carolina corporation, is a wholly owned subsidiary of ABAC and provides interstate interexchange services in and around the area served by its affiliate, S&A Telephone. WHT, a Georgia limited liability company and wholly-owned subsidiary of ABAC, provides incumbent LEC services in certain exchanges in Harris and Talbot Counties in Georgia and serves approximately 1,193 access lines. WHC, a North Carolina corporation, is a wholly owned subsidiary of ABAC and provides interstate interexchange services in and around the area served by its affiliate, WHT.

USConnect, a Delaware corporation, wholly owns USConnect Acquisitions, a Delaware corporation formed for the purpose of acquiring the shares or membership interests of S&A Telephone, S&A Communications, WHT, and WHC. Applicants state that the following U.S.-based LECs will hold

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants also filed applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic section 214 application on October 25, 2013.

² Complete lists of the Applicants' affiliates are available in the application.

a ten percent or greater attributable interest in USConnect when the proposed transaction closes: Brazoria Telephone Company (serving Brazoria County, Texas), Dickey Rural Telephone Cooperative, Inc. (serving counties in North Dakota and South Dakota), FTC Management Group, Inc. (subsidiary of Farmers Telephone Cooperative, Inc. that serves counties in South Carolina), Golden West Telecommunications Cooperative, Inc. (serving counties in Nebraska, South Dakota, Wyoming), Horry Telephone Cooperative, Inc. (serving counties in South Carolina). Applicants state that each LEC will own 19.2857 percent of the preferred stock of US Connect and have a 17.357 percent voting interest in US Connect. They further state that the LECs are all organized as cooperatives in which no stockholder owns or votes as much as a one percent interest and that none of the service territories of the LECs adjoins or overlaps the service territory of S&A Telephone or WHT. Applicants state that, in addition to the preferred stock issued by US Connect, Leo Staurulakis and Manny Staurulakis, both U.S. citizens, each own one-third of the common stock of US Connect and jointly own MLStar, LLC, a Virginia limited liability company that will own 3.6 percent of the preferred stock of USConnect. Neither individual owns any other telecommunications entities.³

ABAC, USConnect, and USConnect Acquisitions have entered into a Master Equity and Asset Purchase Agreement whereby USConnect Acquisitions will acquire from ABAC all of the outstanding capital stock of S&A Telephone, all of the outstanding capital stock of S&A Communication, the entire membership interest in WHT, and all of the outstanding capital stock of WHC. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁴

Domestic Section 214 Application Filed for the Transfer of Control of S&A Telephone Company, Inc., S&A Communications, Inc. d/b/a S&A Long Distance, Waverly Hall Telephone, LLC, and Waverly Hall Communications, Inc. to USConnect Holdings Inc., WC Docket No. 13-243 (filed Sept. 27, 2013)

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before November 14, 2013**, and reply comments **on or before November 21, 2013**. Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <http://fjallfoss.fcc.gov/ecfs2/>.

³ US Connect has a pending domestic 214 application for the acquisition of The Rye Telephone Company (RTC), South Park L.L.C. d/b/a South Park Telephone Company (SPTC) and CableCo, LLC d/b/a ghValley Long Distance (CableCo). RTC provides incumbent LEC services in three exchanges in Pueblo, Huerfano, Custer, Las Animas, and Baca Counties in Colorado. SPTC provides incumbent LEC services in Park County, Colorado. CableCo provides interstate services in and around the service areas of its affiliates, RTC and SPTC. *Domestic Section 214 Application Filed for the Transfer of Control of The Rye Telephone Company, South Park L.L.C. d/b/a South park Telephone Company, CableCo, LLC d/b/a ghValley Long Distance to USConnect Holdings, Inc. and USConnect Acquisition III, Inc.*, WC Docket No. 13-237, Public Notice, DA 13-1992 (rel. Sept. 26, 2013).

⁴ 47 C.F.R. § 63.03(b)(2)(iii).

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva.Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;
- 2) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 3) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s ex parte rules.

For further information, please contact Myrva Charles at (202) 418-1506 or Dennis Johnson at (202) 418-0809.

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